Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 197307

20
ORIGIN EA-14

INFO OCT-01 ISO-00 NEA-14 IO-14 H-03 L-03 PA-04 PRS-01

USIA-15 SP-03 AID-20 EB-11 NSC-07 RSC-01 CIEP-03

TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00 COME-00

FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01

/185 R

DRAFTED BY EA/ANP - HLANGE:CHG
APPROVED BY EA/ANP - MR KNOWLES
EB/IFD/ODF:CSTOCKER
TREASURY:PGONZALEZ (PHONE)
EA/EP - MR GEBER
---------- 076542
R 091850Z SEP 74
FM SECSTATE WASHDC
TO AMEMBASSY MANILA
INFO AMEMBASSY CANBERRA
AMEMBASSY WELLINGTON
AMCONSUL PORT MORESBY BY POUCH
AMEMBASSY SUVA BY POUCH

LIMITED OFFICIAL USE STATE 197307

E.O. 11652: N/A
TAGS: EAID, EFIN, XP
SUBJECT:ADB OPERATIONS IN DEVELOPING MEMBER COUNTRIES
IN SOUTH PACIFIC

MANILA PASS ADB

REF: MANILA 9622 (NOTAL)

1. AS REFLECTED 26 AUG RESPONSE FROM TREASURY, USG WEL-
COMES ATTENTION BY BANK TO SPECIAL PROBLEMS OF SOUTH
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 197307

PACIFIC DMCS. SOUTH PACIFIC COUNTRIES AND TERRITORIES

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

HAVE LONG FELT THAT BANK DOES NOT ADEQUATELY SERVE THEIR NEEDS, AS EVIDENCED BY PERRENIAL PROPOSAL FOR SOUTH PACIFIC REGIONAL DEVELOPMENT BANK (SPRDB). THIS YEAR'S SOUTH PACIFIC CONFERENCE WILL AGAIN CONSIDER PROPOSAL OF SPRDB. USG HAS IN PAST DISCOURAGED ADDITIONAL REGIONAL BANK, AND WILL DO SO AGAIN THIS YEAR.

2. AT LAST YEAR'S SOUTH PACIFIC CONFERENCE, DR. HOFFARTH WAS OBSERVER FOR ADB, AND HE MADE CONVINCING CASE THAT ADB WOULD PAY SPECIAL ATTENTION TO SOUTH PACIFIC NEEDS. WOULD BE ESPECIALLY USEFUL THEREFORE TO FOLLOW THAT PRESENTATION UP THIS YEAR WITH TANGIBLE EVIDENCE OF BANK DETERMINATION IN THIS DIRECTION.

3. MR WILLIAM W. SELLEW, AN AMERICAN, HAS BEEN RETAINED

BY SOUTH PACIFIC COMMISSION (SPC) AS CONSULTANT ON SPRDB ISSUE, AND RECENTLY HAD BRIEF CONVERSATION WITH STATE DEPT. OFFICER. SELLEW REPEATED ALLEGATION THAT ADB UNABLE TO EFFECTIVELY HANDLE LOANS OF SIZE SMALL ENOUGH TO BE OF USE TO MICRO-STATES AND TERRITORIES IN SOUTH PACIFIC, AND THAT ADB NOT SENSITIVE TO SPECIAL NEEDS OF AREA. SELLEW ALSO CHARGED THAT ADMINISTRATIVE COSTS OF SMALL ADB LOANS EXCEED COSTS WHICH COULD BE ACHIEVED BY SPRDB. ANY RESPONSE YOU CAN PROVIDE TO THESE ARGUMENTS WILL BE HELPFUL, POSSIBLY ALONG LINES TAKEN BY BANK THAT DEVELOPMENT OF INTERMEDIATE IN-STITUTIONS (NATIONAL DEVELOPMENT BANKS) BEST WAY TO HANDLE SMALL LOANS.

4. SELLEW CLAIMED THAT FIJI PM RATU MARA, WHO HAS THUS FAR BEEN COOL TO SPRDB, IS NOW WAVERIMG, AND MAY FEEL COMPELLED TO SUPPORT A NEW BANK. SHOULD THIS HAPPEN, SELLEW THOUGHT THAT AUSTRALIA AND NEW ZEALAND, WHICH HAVE SO FAR LIKE US INDICATED NO SUPPORT FOR THE SPRDB, MIGHT BE FORCED TO REASSESS THEIR POSITION.

5. ANY EVIDENCE WHICH YOU CAN PROVIDE OF NEW ADB APPROACH WILL BE HELPFUL IN DISCOURAGING FURTHER INTEREST IN THE SPRDB. US DEL TO SOUTH
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 197307

PACIFIC CONFERENCE WILL DEPART O/A 19 SEPTEMBER.

KISSINGER

LIMITED OFFICIAL USE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

NNN

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, BANK SERVICES, DEVELOPMENT BANKS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE197307
Document Source: CORE
Document Unique ID: 00
Drafter: HLANGE:CHG
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740250-1199
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740963/aaaacawx.tel
Line Count: 110
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: MANILA 9622 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 09 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 JUL 2002 by kelleyw0>; APPROVED <10 MAR 2003 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DB OPERATIONS IN DEVELOPING MEMBER COUNTRIES IN SOUTH PACIFIC
TAGS: EAID, EFIN, XP, ADB-1
To: MANILA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005